

P 251514Z AUG 98
FM AMCONSUL JERUSALEM
TO SECSTATE WASHDC PRIORITY 5603
INFO AMEMBASSY TEL AVIV
AMEMBASSY AMMAN
AMEMBASSY RIYADH

S E C R E T JERUSALEM 002378

TERREP

E.O. 12958: DECL: 1.6.X.1

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SUBJECT: ALLEGED OSAMA BIN LADEN CONNECTION TO PALESTINIAN BANK

11. (U) CLASSIFIED BY ACTING PRINCIPAL OFFICER JERRY FEIERSTEIN,
REASON 1.6X1.

12. (S) OSAMA BIN LADEN HAS CLOSE CONNECTIONS TO, AND POSSIBLY AN OWNERSHIP SHARE OF, AL-AQSA ISLAMIC BANK, A NEW BANK GIVEN PRELIMINARY APPROVAL BY THE PALESTINIAN MONETARY AUTHORITY (PMA) TO OPERATE IN PALESTINIAN AREAS, ACCORDING TO PROMINENT WEST BANK BUSINESSMAN AND BANKER YAHYA KADAMANI (STRICTLY PROTECT). KADAMANI SAID AUGUST 25 THAT AL-AQSA IS JOINTLY OWNED BY THE JORDAN ISLAMIC BANK (JIB) AND BEIT AL MAL, A PALESTINIAN ISLAMIC FINANCIAL INSTITUTION. JIB, IN TURN, IS OWNED BY A SAUDI SHEIKH NAMED SA'ADEH KAMEL, A FRIEND AND BUSINESS PARTNER OF BIN LADEN'S, SAID KADAMANI.

13. (S) THE PALESTINIAN RUMOR MILL HAS OFTEN CONNECTED BEIT AL-MAL TO HAMAS; A NUMBER OF BEIT AL-MAL BOARD MEMBERS, INCLUDING CHAIRMAN MAZEN SINOKROT, WERE DETAINED AND QUESTIONED BY THE GOI SOME MONTHS AGO, BUT LATER RELEASED WITHOUT CHARGE. AL-AQSA ONLY RECEIVED APPROVAL TO OPERATE, ACCORDING TO KADAMANI, AFTER PMA GOVERNOR FOUAD BSEISO WAS WINED AND DINED ON SHEIKH KAMEL'S PRIVATE JET. KADAMANI DID NOT PROVIDE DETAILS ON WHAT ACTIVITIES AL-AQSA IS UNDERTAKING FOR BIN LADEN, IF ANY.

14. (S) COMMENT. KADAMANI IS A LONG-TIME CONSULATE CONTACT AND IS WELL PLUGGED-IN TO PALESTINIAN FINANCIAL CIRCLES. HE HAS ALWAYS BEEN VERY OPEN, AND IS SOMETHING OF A GOSSIP-MONGER. WE DON'T TAKE KADAMANI'S REMARKS AS PROOF OF A RELATIONSHIP BETWEEN BIN LADEN AND AL-AQSA, BUT BELIEVE THEY ARE WORTH NOTING. END COMMENT

FEIERSTEIN